

## **PERRY COUNTY BOARD OF COMMISSIONERS MINUTES – NOVEMBER 24, 2020**

The Perry County Board of Commissioners met Zoom at 6:00 p.m. as was duly advertised. All three commissioners (President Thomas J Hauser, Bill Amos and Randy Kleaving) were in attendance. Also present for the meeting were County Administrator Teresa Kanneberg and a News representative from the Perry County News. Sheriff Alan Malone was also present.

### **HEALTH INSURANCE**

Tom opened this special meeting of the Commissioners with the possibility of changing TPA's for the County Health Insurance from what was previously voted on with UGS (United Group Services)/Ascension He noted that with the new analysis that Apex Group has provided there are better savings with GPA (Group Pension Administrators) than what was sent to us before. So, there are still two choices on the board for the Commissioners to choose from:

- Apex/GPA – new savings of \$233,707.00
- UGS/Ascension – savings of \$363,265.00

It is only a difference of \$130,000.00 now. The Commissioners previously made the decision that the deductible and co-pay will not change for the employees for 2021. Randy said they need to start by rescinding their vote from a previous meeting so they can hear all the information again and to revote. With new information being provided, Randy made the motion to rescind the decision at the November 2, 2020 meeting on the County's Health Insurance, seconded by Bill. Motion carried 3-0.

Tom said that with UGS, the co-pay deductible will remain the same. Any claims out of network will make you reach the co-pay quicker rather than being in network. UGS will use CIGNA as a wrap around insurance to help eliminate balance billing. Bill Sylvester with Apex said the County's insurance kicks in after the deductible is met. He said it is 80/20% until the employee's out of pocket is met. They are proposing this in-network or out of network. He also stated the second tier is the Sagamore wrap, not CIGNA. The claims go through paid non network at 50/50% instead of 80/20%. Example is when employees use Deaconess or Owensboro hospitals. Tom said his first concern is the balance billing but by using the wrap around, this should eliminate that. Bill S. said any out of network plan is subject to balance billing. He also commented that Sagamore is not as robust as CIGNA network. CIGNA is better. Forrest Williams of Ascension said the County could do PPO contract. He said we don't want to put members in this format. We're seeking to get contracts in place and will be using CIGNA as the wrap around. Randy said he is concerned with the 50% that employees will pay out more money.

It was stated that the current plan is 80/20% with deductible and co-insurance limit of single – 3000 and family-6000. With Ascension, the out of network could change to 50/50%. The amounts are the same no matter what, you just get their faster. There was a lot of further discussion about the out of network costs between all parties. There were several other items discussed as well, such as tests, prescriptions, out patient surgeries, emergency room visits, and dental and vision policies. Tom said with the tests and Ascension network, it will be more out of pocket if you go to Deaconess hospital. The prescription coverage would be changing to TrueRX. It is similar to what we have now. They are local and can put in a transparent contract. Bill S. said even if the County would stay with GPA, they would move the prescription to TrueRX also. The out-patient surgery would stay the same on co-pay. Emergency room visits would also be the same with both plans and Bill S. agreed. Tom also said the dental and vision are separate policies. Their rates will stay the same until the end of 2021.

Bill S. addressed the medical plans. He said with Ascension it is a narrow network plan. If you don't steer employees to go there, they probably won't change unless the County makes changes to steer them in the future. One thing if you don't change the deductible, could it change in the future. Yes, it could. He also said a narrow network has deeper discounts. The better when more employees switch to in network providers. Forrest said that benefit designs were factored in when estimating the savings. They did not look at having 100% attribution for all employees to change over to Ascension.

Tom recapped the figures. The first figures the Commissioners received were that the County would save more if we switched to Ascension from GPA with a savings of

\$40,000.00 and UGS with a savings of \$363,000.00. Now the change is GPA with a savings of \$233,707.00 with a difference of the two being \$130,000.00. Tom said in his opinion, it is still not close enough. Bill S. replied that with GPA, you are looking at only 10 months of medical claims, if you annualize 12 months, the savings could be more. There was more discussion about the savings and discounts with the Commissioners and the two third party administrators. Randy commented that we need to look at the whole plan and the employees, not focus on the savings. This is what the Commissioners need to look at. Bill S. says if stay where you are it is a wash wherever the employee goes and if switch, better savings if use Ascension. Tom said we need to consider the savings and not the claims.

Brian Herwig, CEO of Perry County Memorial Hospital, asked if he could speak. He mentioned that as we get older, we need more healthcare. He said it is the fiduciary responsibility of the Commissioners for the County and the Hospital to fund the EMS service and increase the nurse's pay. We are trying to keep care at home. People will see this. He said you have tough choices to make but the right choice to make is to switch insurance. It is the Commissioners responsibility.

Randy said we didn't ask what the Trustees of the Health Insurance thoughts were. He asked for Auditor Trustee Pam Goffinet to give her review. She said she was not in favor of switching from the beginning. She did not like the narrow network and having employees to pay more out of pocket for the doctors they want to go to. This is something we never wanted to do. There are employees utilizing PCMH and she sees that continuing. Randy agreed. He said we did this before, trying a narrow network, and he was not a fan of it. We need to do what is good for the employees. He also said we changed before and the employees stood behind us. We climbed out of a financial hole. The county employees should be able to go where they want to, they don't make the money the hospital employees do. According to the numbers, there is only 13% of employees not utilizing the hospital now. Randy said he doesn't see employees changing to a doctor coming to PCMH, they will stay with their doctors. David Etienne, Council President Trustee, said he thought it would be cost minimal to employees. We need to do what is best for the County. Our insurance can be improved. As a trustee, I think we should change and support our local hospital.

Commissioner Bill A. listened to all and said it makes him nervous with the narrow network mentioned. He agrees we need to help the County and the Hospital, just not now. He said he couldn't give a vote on this now.

Tom mentioned that we could change the deductible by going lower for the ones using Ascension. There would be no other burden on the employees. This would help for employees to go to PCMH. Bill S. said if you change the deductible, this affects the stop loss carrier for both plans. Auditor Goffinet said this would change things and you have to decide before January 1. Randy said this was a good idea but do it in a year. This is not fair for Bill A. to make a decision, need to wait for the new Commissioner to decide for year 2022. Tom said he is concerned about the employees. It is a matter of opinion what is best for the County and the employees.

Randy said they have a lot more information than what they did at the November 2, 2020 meeting. His opinion is to hold up a year and the Trustees get more information for next year and to stay where we are at. We need to look at the deductible change to help PCMH and to get more of the 13% of employees to go there. He said this is a challenge and he wants to do the right thing for all. Randy said they moved too fast and need to slow down. Bill A. said he agreed with Randy. Brian Herwig spoke up saying it is more cost to the employees but their choice of where to go is not being taken away. He said the cost is not going to go down. He reiterated that it is their fiduciary responsibility to the County and the Hospital. He also said he would accept their decision on this.

Bill A. made the motion to keep the health insurance with GPA/Cigna, seconded by Randy. Motion carried 2-1 with Tom against. It was stated to look into the deductible change to help for employees to go to PCMH. Bill S. said he will look into it for more local use. We need for employees to do as much business as can with PCMH.

Ron Maines with APEX mentioned about the prescription plan on changing to TrueRX out of Washington, IN for employees beginning January 1, 2021. This would be for the betterment of the employees. Randy made the motion to change to TrueRX, seconded by Bill A. Motion carried 3-0. Randy said he would like to see a letter go to the employees on the importance of using the local hospital. Brian Herwig thanked the Commissioners.

Teresa announced that the next meeting of the Board of Commissioners will be held on Monday, December 7, 2020 at 6:00 p.m. by zoom.

The meeting ended in open session at 9:45 a.m.

Minutes approved this 19<sup>th</sup> day of January, 2021.

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Thomas J Hauser  
President

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Randy Kleaving

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Gregg Jarboe

*Minutes prepared by:  
Pamela L Goffinet, Perry County Auditor*